



Realignment 1987:

The new structure and how we got there

The project manager's report on the Coast Guard's
adjusted support and management functions

By RADM Marshall E. Gilbert, Chief, Office of Research and Development, Headquarters

ADM Paul A. Yost Jr.: "I have given conceptual approval to consolidating at a higher level those various support functions that are common to all our districts ... Develop a detailed implementation plan ... A staffing reduction target of 25 percent is expected."

Anyone familiar with the Coast Guard knows that this means things will not be the same!

Realignment translates into three basic changes: Coast Guard Districts will be reduced from 12 to 10; two new Regional Maintenance and Logistics Commands (RMLCs) will be created to assume most support functions formerly done by districts; and the two area commanders will assume operational and administrative control of ships larger than 180 feet and communication stations.

Why was it started?

In 1986, Secretary Dole asked the Commandant to conduct a serious review pointed toward combining Coast Guard districts and regionalizing support functions. She also asked him for periodic progress reports.

We have discussed combining districts many times in the Coast Guard on our own initiative and in response to external pressures. For a variety of reasons, we have not done it. However, some district functions have been consolidated over the years.

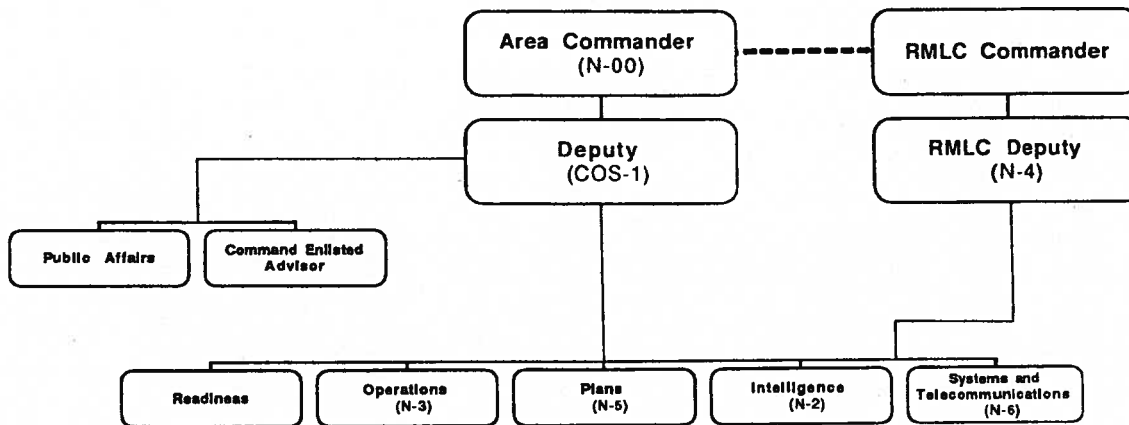
In the early '70s, district radio stations were replaced by fewer, more modern communication stations. Later,

civil engineering acquisition, construction and improvement (AC&I) programs were regionalized into Facility Design and Construction Centers (FD&CCs) at Seattle and Norfolk, and recently, civilian personnel administration has been combined to some extent with one district providing support for several others.

In the spring of 1986, there were a number of mini-studies done to regionalize several other support functions. No action was taken, partly because the budget pressures causing these initiatives eased — and the new Commandant was concerned about directly giving area commanders major support functions. A later proposal to establish RMLCs as coequals to district commanders appealed to ADM Yost because this provided an umbrella organization for various support efforts outside the area commander's staff.

Continued pressures for additional operational personnel and the Commandant's desire to improve our operations to support ratio caused a new look and the appointment of the Realignment Group. This appointment followed an Aug. 4 decision to kick off the effort.

The people requirements are real. During this decade, our military Full Time Equivalent (FTE) resources provided by Congress have stalled out at around 39,000. Meanwhile, demands for military personnel have grown because of the new 270-foot cutters, 110-foot patrol boats, post-FRAM 378s, new C-130s, HU-25s, and E2Cs, law enforcement detachments, and anti-terrorism needs. OMB management initiative A-76 and other



Typical area organization (with MDZ and RMLC interface)

contracting efforts provided some relief by substituting contractors for Coast Guard people, but there were still serious shortages projected into the 1990s, with little or no optimism that the 39,000-FTE-resources hurdle could be overcome.

Thus, the study team

Therefore, the Commandant appointed a team to develop an implementation plan to merge the 11th and the 12th Districts, split the 3rd District into the 1st and 5th Districts and establish two RMLCs to assume support functions previously done by district staffs. Concurrently, they were asked to define a new structure with 25 percent fewer district and area staff billets and positions. This equates to a savings of about 1000 people to be used elsewhere. This initiative was not pointed at reducing our total personnel strength.

I was able to select a group of truly outstanding people and start work in September. The team included: Ms. Catherine Waldal, Headquarters (G-CP); CAPT Rudy K. Peschel, 7th District (osr); CAPT Richard R. Bock, commanding officer, Base Honolulu; CAPT Thomas E. Yentsch, Headquarters (G-FP); CDR Paul E. Busick, 12th District (dpl); CDR James A. Kinghorn Jr., 8th District (ene); LCDR Thad W. Allen, 3rd District (dpl); LT Kevin G. Ross, Headquarters (G-CPA); and LTJG Vincent M. Weber, Headquarters (G-RSA); and Mrs. Audrey Pickup, clerical support.

The basic structure of our product was fixed by the charter. Getting from this basic structural concept to a

fully described new organization with functional statements and staffing, while saving significant people, was the challenge.

Early on, we faced the basic choice of doing this in a smoke-filled back room with minimal consultation or doing it in cooperation with all flag officers and a cross-section of current and former commanding officers of units that received support from district staffs.

I chose the latter for a number of reasons.

Our group was deliberately kept small. We didn't have enough people to do the entire job. Further, such a fundamental change should be developed only after wide consultations with all the Coast Guard's leadership to create the best possible product and climate for its acceptance. Further, up-front consultation allowed leaders to make informed recommendations to the Commandant and to fully acquaint them with what was proposed so that implementation would be easier.

We also consulted with all the other services, obtained an organizational expert and talked to the Canadian Navy as well. These consultations proved invaluable and improved our product significantly.

Rumors, concern and unpopularity

However, they were not without risks and problems. Rumors and concern grew in direct proportion to our consultations. At times our reception was less than wonderful, and we gained a lot of respect and sympathy for those selling unpopular ideas. Furthermore, we and those interacting with us were plagued by the lack of

detailed functional descriptions of who would do what and where in the new organization.

These new functional descriptions were slow in emerging because they had to be developed by an interactive process and then tested for validity.

Staffing caused another major problem. I had originally hoped to avoid the development of a detailed staffing for the new structure, but no such luck. We learned early-on after a few brutal sessions with field commanders that we would have to develop and defend detailed staffing for all elements of the new structure.

There were more than 4,000 billets and positions to move around, and as noted earlier, many were to be eliminated. We did not have good workload measurements to balance against staffing needs, and this created a major problem. Staffing was finally developed by several iterations with program directors and district and area commanders. Naturally, each round of consultation created more rumors and concern. As the staffing structure emerged, we worked closely with the Office of Personnel to assess impacts on rates, officer promotion, civilian opportunities and pyramids. Concurrently, personnel policies were drafted for use during implementation.

No duplications or layers

A few fundamental concepts guided us as we put the new organization together. With fewer people to provide support, duplications and layers had to be avoided. There was no room for checkers and helpers. Field commanders must have one-stop shopping at the support commands. The ability to do things at lower organizational levels must grow and money management must be simplified.

The following concepts emerged, and were revised and polished by several iterations with district and area commanders.

Consolidation of support functions in a regional command and removal of these responsibilities from the district commander left the district commander with three main jobs: operational and administrative oversight of his district and remaining district units; his role as a high-level representative of the Coast Guard; and his Maritime Defense Zone (MDZ) role. We then tried to establish a new district structure to accommodate these needs while saving significant numbers of people for staffing the RMLCs and for use elsewhere.

The new district structure

Organizationally, we initially proposed a Chief of Staff with divisions for search and rescue, maritime law enforcement, readiness and reserve, aids to navigation, boating safety, maritime safety and administration and

planning, and also staffs for C3/IRM (Command, Control, Communications/Information Resources Management) and operational legal advice.

This was roundly booed on several counts.

Elimination of the District Chief of Operations caused major concerns because many thought the Chief of Staff's span of control would be too great. Critics also contended that the structure would provide inadequate senior-level experience, and that the proposal eliminated an important career ladder for grooming senior officers.

Counter arguments were that the span of control was no greater than that of many others in our organization, that the Chief of Search and Rescue (a 20-year Captain) should not need two other Captains between him and the District Commander, and that senior Captains should not need additional grooming!

Ultimately, the Commandant reinserted the district Chief of Operations position, based on the strong recommendations of his district commanders (see "The Typical District Organization").

All inspection programs were consolidated at the RMLCs. This caused major anxiety in the districts that contended that district inspectors (DIs) played a key role in assessing the operational readiness of units. Ultimately, the Commandant approved our concept, based on his belief that group commander inspections, REFTRAs, training visits, and program manager oversight should be enough to assure a district commander that his commanding officers, who are ultimately responsible for the readiness of their units, are in fact doing their jobs.

Our intent was to leave a district commander and his staff able to provide operational oversight in his area of responsibility, and to streamline the support structure.

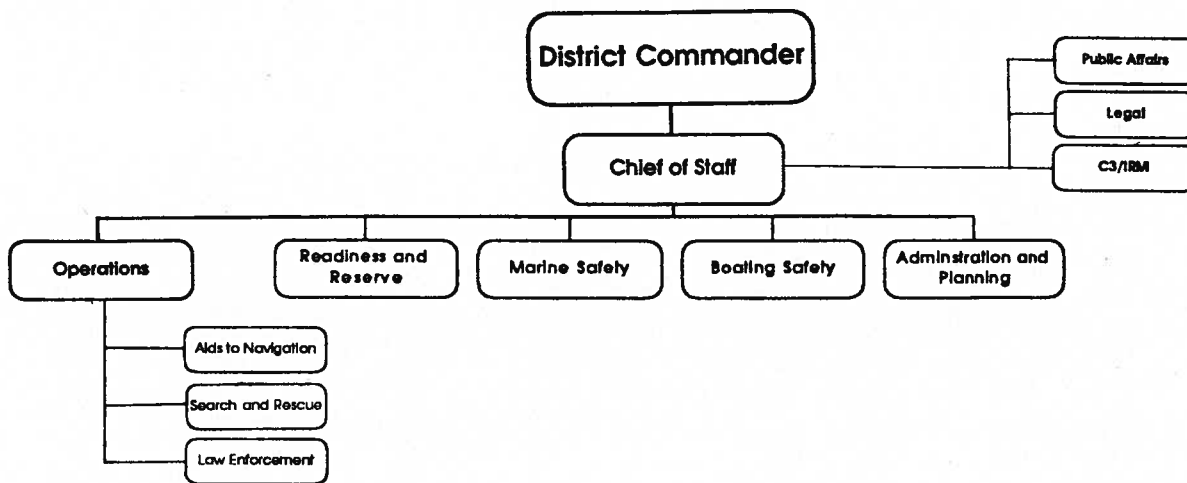
Over the years, some layers have grown between field commander and ultimate decision-maker, particularly in the personnel area. Also, a number of helpers have been added to staffs to help field commanders execute their responsibilities. While these probably have been of value, they are unaffordable in a cutback environment.

District commanders will retain a smaller legal staff for operational legal advice, and the government side of the military justice system. All other legal support will be regionalized.

Full-time, family-advocacy personnel currently on district staffs were left in place, as well as all personnel-reporting units.

Early in our study we concluded that the Coast Guard's accounting functions cannot be regionalized or centralized at this time.

The new 11th District will contain all of California, and



Typical district organization

other areas previously in the 12th District. This was a trade-off between the operational desirability of including all of California, "44-footer country," in the 13th District because of the similarity of operations, against the desire to include all of California with its extensive local coordinating groups in one district.

The latter alternative was chosen with concurrence from all the district commanders involved and the Commander, Pacific Area.

The Commander of the Atlantic Area and his affected district commanders recommended Toms River, NJ, as the boundary between the 1st and the 5th Districts, and this was accepted by the Commandant. This places the port of New York and its approaches in the 1st District, and all of Chesapeake Bay, as well as Philadelphia, in the 5th District.

The new RMLC structure

The new RMLCs were organized and staffed as a result of our studies and extensive inputs from program directors and district and area commanders (see "The Typical RMLC Organization"). Technical support (naval, civil and electronic engineering) will be provided by a cadre of professionals at the RMLCs and local support units for hands-on work. The Technical Support Division for Vessels will have its own contracting personnel for naval and electronic engineering contracting for vessels.

Civil engineering managers at the RMLCs, working with expanded FD&CCs and six, newly-formed, civil engineering field offices, will provide civil engineering support. FD&CCs will continue to execute the AC&I program, and they will pick up operating-expense

projects exceeding \$100,000. They will have contracting personnel and a legal staff for procurements. The Field Engineering Offices will perform operating-expense projects of \$100,000 and below, and will have procurement authority for this amount.

Similarly, the C3 division will provide support through the staff of the RMLCs and the local units throughout the Coast Guard.

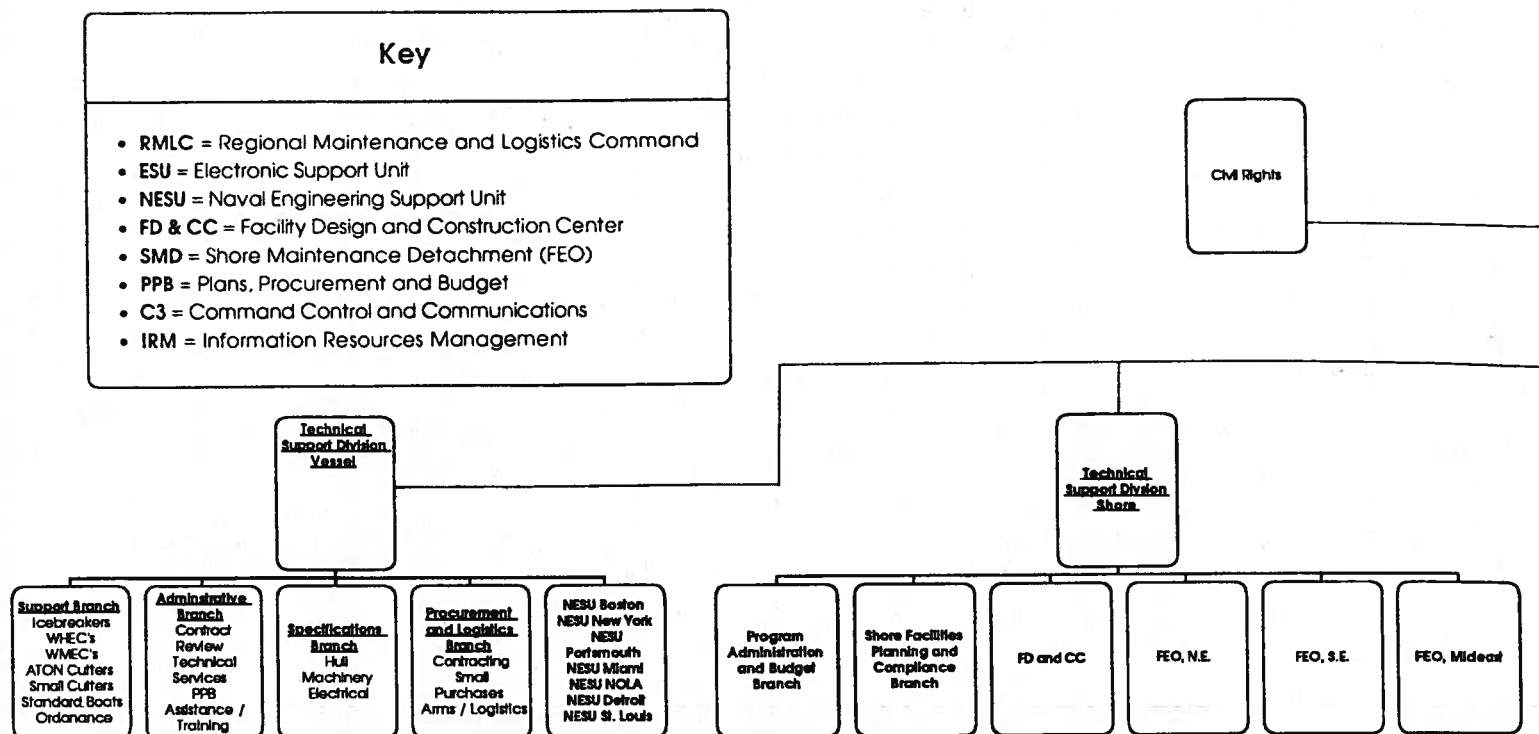
The RMLC's finance division will monitor planning, programming, budgeting, procurement, accounting and non-appropriated-fund functions for the RMLC. RMLCs will administer all funds in the maintenance operating guides (42-electronics program, 43-shore unit program, 45-vessel program and 46-ocean engineering program) formerly managed by the district, and they will receive OG-30 (operating and maintenance) funds for area and RMLC units.

Health services are regionalized, and the drug and alcohol program will now be managed by them.

The Civil Rights/Human Resources Program will continue to be administered at the district level, under the direction of a collateral-duty, civil rights officer. A full-time, military civil rights counselor/facilitator will be located on each RMLC staff. The Office of Civil Rights will continue to provide program guidance and assistance.

The new area structure

Area commanders received additional personnel to manage cutters and communication stations (see "The Typical Area Organization")



A typical RMLC organization

Location, location, location

Location of the two RMLCs was a major issue, especially for the East Coast. We own significant space on Coast Guard Island in Alameda and on Governors Island in New York. Both currently host area, district and MDZ commands.

Dissolution of the 3rd and 12th District eliminated many billets and positions, and freed substantial space. Establishment of the RMLCs at Governors Island and Coast Guard Island will provide some reemployment opportunities for some displaced people. The vacant spaces and other existing areas will allow the new commands to move in without delay. Further, both area commanders felt a strong need for the new command to be physically close to them, especially during their formative stages.

Counter arguments included the prevailing feeling that there are more desirable locations in which to live and work, and the concern about attracting the kinds of quality civilians needed to staff the new structure.

After reviewing these and many other factors, the Commandant decided to locate the RMLCs on Governors Island and Coast Guard Island.

The net impact of disestablishing the districts and adding the RMLCs is a few more people in New York and Alameda.

Pertinent questions

Naturally, this reorganization will cause a fundamental

change in the Coast Guard. The obvious question is "Will it work?" The obvious answer is "Yes." But that begs the point.

Coast Guard people are adept at making almost anything work. More useful questions are "Will it work better?" and "What baggage goes along with a change such as this?"

Will it work better? Ultimately, I believe it can and will, but we would be foolish to minimize implementation problems. We will have problems in the short-term, especially executing programs and applying available funding to unmet needs while we are reorganizing.

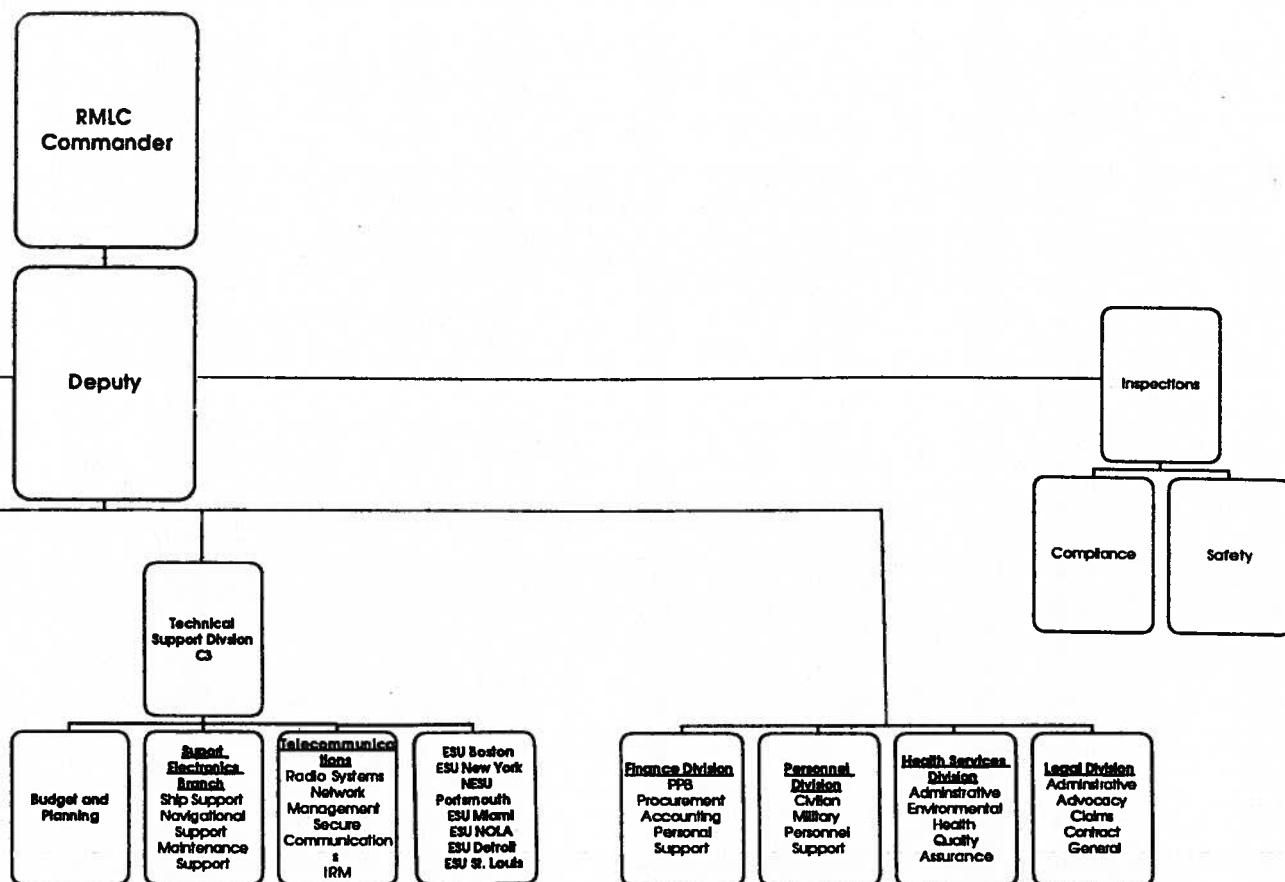
The RMLCs ultimately can become high-level, articulate representatives for support programs, and give an effective balance to our resource allocation decisions. Concentration of technical talent in one place should cause a sharper focus on different technical issues.

What is the baggage? Certainly, in the short-term, there will be some turmoil as we completely sort out who does what.

The civilian work force

The impact on our civilian work force is obvious. Many dedicated employees who served us well over the years will have to relocate or lose their jobs. In some cases there will not be opportunities even for those willing to relocate.

On the bright side, there will be some expanded



opportunities because there are high-level civilian positions in the new structure, and the concentration of resources allows higher grade structures and more opportunities for progression than we've had before. In setting up the new structure, we made significant managerial opportunities available to our civilian work force.

There were 760 civilian positions abolished and 638 created as a result of the realignment. Of the abolished positions, 123 were vacant on 15 October 1986. Another 155 personnel filling abolished positions were eligible for retirement. Of course, some displaced employees will be able to compete for new jobs in their local area, but there are not meaningful opportunities for all.

The military

On the military side, the realignment will reduce the number of senior officer billets, and affect some rates. These impacts were studied by the Office of Personnel, which concluded that they were manageable.

Realignment has not reduced our total size by a single person, so the net personnel impact cannot be assessed until all the freed resources are allocated, positions classified and the rank structure for the new jobs determined.

We tried to establish the correct billet/position levels of the required jobs in the new structure and then we worked with the Office of Personnel to determine the impact of our changes on our force structure. The net

impact will be a slight increase in the average civilian grade structure and a slight decrease at the top of our officer and enlisted pyramids. This should be expected because the new RMLCs, with a concentration of technical talent, will create more high-level positions. The movement of military people from staff to operational billets will tend to lower the average grade. For example, the post-ram 378 requires 19 more people but no additional captains or E-9s.

There will be a fundamental change in the role of the District Commander, whose autonomy will be reduced. There has been a long-standing perception that the District Commander must control those things that determine his success, such as not only operationally overseeing his units but getting them ready to operate as well. In many cases, this control is more perceived than real because district commanders do not, in fact, control many of the factors that determine their success.

Personnel assignments, funds, aircraft, communications support, Alaska Patrol cutters and other agency units are a few examples of items with at least part of their control elsewhere. Further, the new structure in the short-term may be less responsive to quick-reaction requests for support. Unfortunately, we tend to equate quick reaction with adequate support; but, of course, they are different.

Study submitted, reviewed, discussed and adopted

Our draft report was submitted to the Commandant in

early December 1986 and distributed to all flag officers for comment. It also was reviewed by the Chief of Staff's office, which consolidated comments from all the flag officers and conducted a review.

The Commandant discussed the report during a conference call with his field officers and convened a meeting of all flag officers on Jan. 16. Our report was discussed for a full day. Various alternatives short of full realignment, such as just combining districts, were discussed extensively. The Commandant required each flag officer to make a recommendation for or against the adoption of various portions, including full realignment. Although there certainly was no unanimity, the majority favored full realignment.

Subsequent to this meeting, the Commandant announced his decision to go forward with the realignment.

The study provides a framework of functional statements, staffing impacts and an implementation plan. It is a living document that will need adjustments as we implement it.

In summary, a different Coast Guard will emerge as a result of the Commandant's decision to perform this study and his acceptance of our product.

About 500 people will be diverted from support to operational billets. Our charter required a structure with 25 percent fewer people, a savings of about 1000; but we could not define a credible structure with this great a cut in people.

There will be fundamental changes in the way we do business. Implementation teams are already off and running, civilians are being hired, orders are being issued and, hopefully, we will have a smooth transition.

The Coast Guard's top leadership was extensively involved in this important initiative. After intimately consulting with them, the Commandant decided to restructure the Coast Guard so that some resources devoted to support could be applied to operational units.

We may not be able to do all the things in all the places with all the thoroughness that we used to do them. However, we will have more people operating and fewer supporting. //

New commands

Two new regional commands are opening to perform maintenance and selected support functions formerly done by the 3rd and 12th District staffs. Their creation, and the concurrent realignment of the Coast Guard's district structure, will release some 500 personnel from support and staff positions to fill operational billets aboard new cutters and aircraft.

Under the new structure, technical — naval, civil and electronics engineering — finance, personnel, health services and legal support will be provided by the MLCs while operational — Aids to Navigation, Search and Rescue, and Law Enforcement — Readiness and Reserve, Marine Safety, Boating Safety and administration and planning functions will remain with the districts. The area commanders will manage all communications stations and all cutters larger than 180 feet with the exception of *Mackinaw*, an icebreaker operating solely on the Great Lakes.

MLCA will be commissioned July 1 and commanded by RADM George D. Passmore and staffed by more than 800 Coast Guard and civilian employees, most of whom will be located on Governors Island. Direct technical support to operational field units will be through local ship repair detachments and electronic maintenance detachments located at Boston, Governors Island, Portsmouth, Miami, New Orleans, Detroit, and St. Louis, and through three regional shore maintenance detachments located at Cleveland, New York and Portsmouth.

RADM Walter T. Leland commissioned and assumed command of the Maintenance and Logistics Command Pacific June 24 on Coast Guard Island. MELCP will provide engineering and engineering-contracting support throughout Pacific Area, using a staff of almost 600 Coast Guard and civilian employees. The staff includes FD&CC West and engineering detachments in Long Beach, Alameda, Seattle, Juneau, Kodiak and Honolulu.